

# SUMMARY ANALYSIS OF AMENDED BILL

## Franchise Tax Board

Author: Figueroa Analyst: Kimberly Pantoja Bill Number: SB 17

Related Bills: See Prior Analysis Telephone: 845-4786 Amended Date: 02/09/99

Attorney: Doug Bramhall Sponsor:

**SUBJECT:** Employer Provided Public Transit Passes Or Public Transit Fare Media Credit

- ☒ DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced December 7, 1998.
- ☐ AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.
- ☐ AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended \_\_\_\_\_.
- ☒ FURTHER AMENDMENTS NECESSARY.
- ☐ DEPARTMENT POSITION CHANGED TO \_\_\_\_\_.
- ☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED December 7, 1998 STILL APPLIES.
- ☒ OTHER - See comments below.

### SUMMARY OF BILL

Under the Personal Income Tax Law (PITL) and the Bank and Corporation Tax Law (B&CTL), this bill would allow a credit equal to 40% of the cost paid or incurred by an employer for providing subsidized public transit passes or other subsidized public transit fare media to an employee.

### SUMMARY OF AMENDMENT

The February 9, 1999, amendments added "other subsidized public transit fare media" and resolved the department's technical considerations by accepting the amendments suggested in the department's analysis of the bill as introduced December 7, 1998. Except for the Implementation Consideration, the department's analysis of the bill as introduced December 7, 1998, still applies.

#### Implementation Consideration

This bill uses the term "other subsidized public transit fare media"; however, this term is not defined in the bill. It is unclear what "other subsidized public transit fare media" includes. Once this definitional problem is resolved, this credit could be implemented during the normal annual update cycle.

#### Board Position:

<input type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input checked="" type="checkbox"/> PENDING

Department/Legislative Director Date

**Johnnie Lou Rosas** **2/26/1999**